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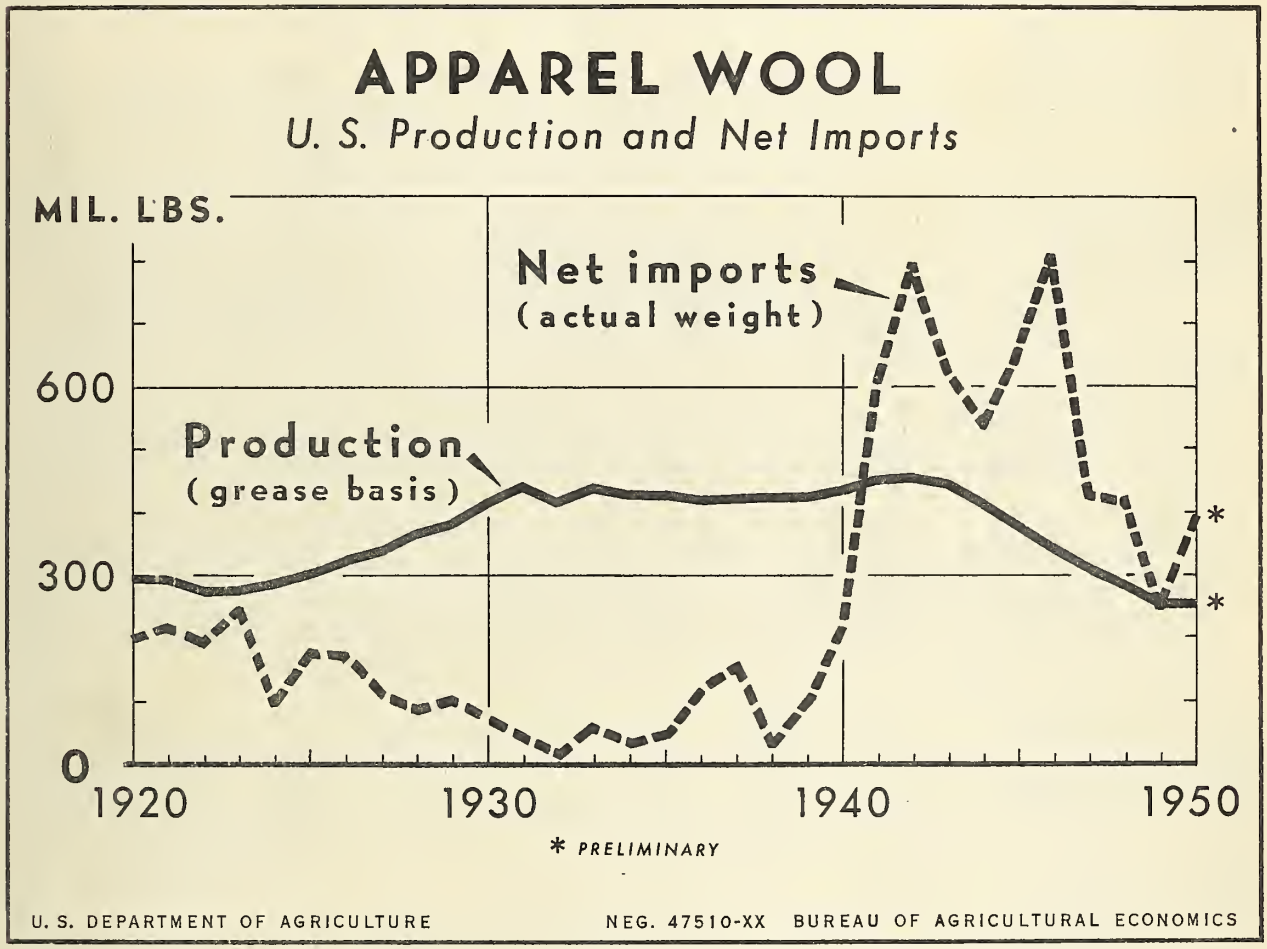
THE Wool SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

TWS-15 BAE APRIL 1951



Production of wool in the United States, practically all of which is apparel wool, declined about 45 percent between 1942 and 1949. Production in 1950 was about the same as in 1949, but a slight increase is expected during 1951. The number of stock sheep on farms on January 1 was about 4 percent larger than a year earlier.

Imports of apparel wool increased greatly during the war years but declined from 1947 through 1949. The drop during the latter years reflected a decline in mill consumption and the liquidation of stocks built up during the war years. Both imports and mill consumption increased substantially during 1950. Between two-thirds and three-fourths of the apparel wool consumed during World War II and thereafter until 1949 was of foreign origin. In 1949 imports were equivalent to slightly less than half of domestic consumption, but the proportion again increased in 1950.

STATISTICAL SUMMARY

Prices

Item	Unit	1949 Dec.	1950 Jan.	1950 Feb.	1950 Mar.	1950 Dec.	1951 Jan.	1951 Feb.	1951 Mar.	Last data available as percent of a year earlier
Price received by farmers	Cents	48.0	47.2	48.7	49.6	79.8	98.0	109.0	119.0	240
Parity price	Cents	45.0	49.8	49.8	50.0	53.3	54.4	55.2	56.3	113
Farm as percent of parity	Percent	107	95	98	99	150	180	197	211	
Boston market price: 1/										
Domestic wool										
Territory, scoured basis	Cents									
64s, 70s, 80s, staple	per	156.2	158.8	162.5	162.5	265.0	334.0	360.0	375 0	231
56s, combing	pound	116.0	116.0	116.5	118.4	223.8	277.0	295.0	310.0	262
Bright fleece, grease basis										
64s, 70s, 80s, delaine	do.	62.0	61.8	64.0	64.0	104.5	130.9	140.5	146.1	228
56s, combing	do.	55.2	55.9	57.0	57.0	113.1	142.0	153.5	156.4	274
Foreign wool, excl. duty										
Australian, clean basis										
64s, 70s, topmaking	do.	137.5	146.5	157.5	157.5	260.0	324.0	345.0	360.0	229
Montevideo, grease basis										
56s, (Is)	do.	64.0	67.0	68.0	68.4	142.6	177.5	195.0	217.5	318
50s, (IIs)	do.	58.0	60.2	61.0	61.0	135.0	162.0	181.2	202.5	332
Other textile fibers										
Cotton, middling 15/16" 2/	do.	30.3	31.0	32.0	31.9	42.6	44.2	0	45.1	141
Rayon, staple fiber										
Viscose 1-1/2 denier	do.	35.0	35.0	35.0	35.0	40.0	40.0	40.0	40.0	114
Acetate 5 denier	do.	42.0	42.0	42.0	42.0	48.0	48.0	48.0	48.0	114

CONSUMPTION AND SUPPLIES

	Unit	1949 Oct.	1949 Nov.	1949 Dec.	1950 Jan.	1950 Oct.	1950 Nov.	1950 Dec.	1951 Jan. 3/	
Mill consumption 4/										
Per week, during month 5/										
Scoured basis										
Apparel (domestic and duty-paid foreign	1,000	8,380	7,183	7,029	7,838	9,501	7,739	7,200	8,019	102
Carpet (duty-free foreign)	pounds	3,251	3,317	3,471	3,929	4,176	3,676	3,600	3,319	84
Grease basis										
Carpet (duty-free foreign)	do.	4,524	4,577	4,858	5,337	5,868	5,191	5,066	4,713	88
Accumulated since January 1										
Scoured basis										
Apparel (Domestic and duty-paid foreign)	Million	275.1	303.8	339.0	31.7	361.3	400.0	428.9	40.1	128
Carpet (duty-free foreign)	pounds	130.8	144.0	161.4	15.7	162.9	181.3	195.7	16.6	106
Grease basis										
Carpet (duty-free foreign)	do.	183.5	201.8	226.1	21.3	227.7	253.7	273.9	23.6	111
Imports-actual weight 6/										
Apparel wool (dutiable)	do.	26.5	29.4	34.7	45.0	28.8	26.3	34.8	49.3	110
Carpet wool (duty-free)	do.	19.4	16.3	22.4	31.9	19.3	24.2	7.0	22.4	70
Accumulated since January 1										
Apparel wool (dutiable)	do.	198.2	227.6	262.3	45.0	340.9	367.3	402.0	49.3	110
Carpet wool (duty-free	do.	133.8	150.1	172.5	31.9	284.0	308.2	315.1	22.4	70
Imports-clean content 6/										
Apparel wool (dutiable)	do.	16.1	17.2	20.2	27.0	18.4	17.3	21.6	30.4	113
Carpet wool (duty-free)	do.	13.2	11.6	15.3	22.8	12.8	16.5	4.7	15.5	68
Accumulated since January 1										
Apparel wool (dutiable)	do.	117.5	134.7	154.9	27.0	211.3	228.5	250.1	30.4	113
Carpet wool (duty-free)	do.	90.9	102.5	117.7	22.8	195.5	212.0	216.7	15.5	68
Wool fabric production										
Accumulated since January 1										
Men's wear	Million			159.3				182.3		114
Women's and Childrens' wear	linear			165.3				173.1		105
Other apparel fabrics	yards			26.5				19.8		75
Total apparel fabrics	do.			351.1				375.2		107
Blankets	do.			22.5				24.6		109
Other nonapparel fabrics	do.			40.7				51.9		128
Total woven fabrics	do.			414.3				451.7		109

Compiled from official sources.

1/ Production and Marketing Administration Boston Market Reports. 2/ Average of 10 markets. 3/ Preliminary. 4/ Excludes wool consumed on the cotton and other spinning systems and in the manufacture of felts, hat bodies, and other miscellaneous products. 5/ For 1949 and 1950 last month of each quarter is a 5-week period and other months are 4-week periods, except that for last quarter of 1950 second month is a 5-week period and other months are 4-week periods. For 1951 first month of first quarter is a 5-week period and other months are 4-week periods. 6/ Imports for consumption.

THE WOOL SITUATION

Approved by the Outlook and Situation Board, April 27, 1951

SUMMARY

The steady rise in wool prices at Boston and in foreign markets that began in late 1949 was halted after Easter and by mid-April prices had dropped 10 to 25 percent.

The April decline began in Australian and South African markets after the U. S. reduced its buying. Prices of cross-bred wool fell somewhat more than those for merino wool.

Major factors in the rise which pushed wool prices to a new record in each month from September 1950 through March were large military requirements, a strong civilian demand, and the liquidation of the world surplus stocks which accumulated during the war in some countries. In foreign markets in March, prices of merino wool ranged from 2¼ to 2½ times higher than last June with cross-bred wools up even more.

Prices received by U. S. farmers declined 6 cents per pound from mid-March to mid-April after having risen continuously from November 1949 through March 1951. Producers' prices for 1951 are expected to continue considerably higher than last year. A large part of the 1951 clip, particularly of the territory and Texas wools, already has been contracted for at prices substantially higher than those received for the 1950 clip.

The trend in wool prices during the next few months is uncertain. It will depend largely on the extent to which U. S. military ordering for the current fiscal year has been completed, the degree to which mills have covered military contracts with purchases, and the size of mill stocks abroad.

Because of the greater rise in wool prices than in prices of synthetic materials, the competitive position of wool relative to that of the synthetic fibers is expected to continue less favorable to wool than last year. The use of synthetics, reclaimed wool, and other fibers in place of wool for specific end items may increase further.

Inventories of civilian wool goods in manufacturing and distribution channels have been built up and are now substantially higher than a year ago.

These factors, together with consumer resistance to higher retail prices of wool goods, suggest that mills probably will process somewhat less raw wool into civilian goods this year than last, even though consumer demand is expected to continue stronger. Military production of items, which accounted for only a very small percentage of total mill consumption of apparel wool last year, will be substantial in 1951.

Government programs and controls could be important factors in determining the quantity of apparel wool used for civilian goods during the remainder of the current year as well as total mill consumption.

Production of shorn and pulled wool in the United States this year probably will amount to about 260 million pounds, grease basis, or about 113 million pounds scoured basis. Total production in 1950 amounted to 252.5 million pounds, grease basis, or 110 million pounds scoured basis. The forecast for 1951 reflects an increase of 4 percent in the number of stock sheep on farms on January 1 over a year earlier.

Ceiling Price Regulation No. 18, issued by the Office of Price Stabilization on April 5, allows manufactures of wool yarns and fabrics to add to their pre-Korean prices dollars-and-cents increases in the cost of manufacturing materials and labor up to December 31, 1950. Deliveries under military contracts entered into prior to May 1 and under subcontracts which will be entered into prior to August 1 have been exempted from price controls.

REVIEW AND OUTLOOK

Prices Decline in Foreign Markets

Prices of wool in foreign markets advanced continuously, except for minor interruptions, from late 1949 until late in March of this year. In March prices of merino wools ranged from 125 to 150 percent higher than last June. Price increases for crossbred wools were even greater.

At the post-Easter auctions in Australia and South Africa, prices declined sharply after the United States reduced its buying in foreign markets. At mid-April, prices were from 10 to 25 percent lower than the pre-Easter peaks. In general, declines in prices of crossbred wool were somewhat greater than those for merino wools.

Prices of wool in South American markets and at the London auctions have followed a trend similar to that of prices in the British Dominions (table 1). The price declines in the South American markets, however, were somewhat less than in the British Dominions.

Wool Prices Decline at Boston

In general, prices of both domestic and imported wools at Boston have reflected trends in foreign markets. Prices at Boston advanced continuously, except for minor interruptions, from late 1949 until about the time prices abroad began to decline late in March of this year.

During the week ending April 20, prices of Australian fine wools at Boston were about 11 percent below the March peaks, while prices of 58s, 60s wools were down about 13 percent. During that week, Australian 64s, 70s good topmaking wool was quoted at $3.25 per pound, clean basis, in bond at Boston, compared with the peak of $3.65 prior to the decline. The price of Australian 58s, 60s combing wool declined from $3.35 to $2.90. In June 1950, these wools were quoted at $1.78 and $1.52, respectively.

Prices of domestic wools at Boston have shown similar trends (table 2). Price declines by the end of the third week in April averaged about 15 to 25 percent. For the week ending April 20, territory fine combing (staple) wool was quoted at $3.20 compared with $3.80 prior to the decline. For the same week, territory three-eighths blood (56s, 58s) combing wool was quoted at $2.55. Prior to the decline this wool was quoted at $3.15. These wools were quoted at $1.76 and $1.40, respectively, in June 1950.

Prices Received by Growers Set New Record in March

The monthly average price received by domestic wool growers, reflecting the trend of prices in foreign markets, advanced continuously from November 1949 through March 1951. The average price received at mid-March 1951 was 119.0 cents per pound, grease basis. This was equivalent to 211 percent of parity. Prices received by growers the previous month averaged 109.0 cents and in March 1950 averaged 49.6 cents. Farm prices for wool reported in recent months largely reflect contract prices for this year's clip.

Office of Price Stabilization Issues New Ceiling Price Regulations for Wool and Wool Products

New ceiling prices for retailers of several wool products, manufacturers of wool yarns and fabrics, and wool futures and wool top futures have been announced by the Office of Price Stabilization in recent weeks. In addition, some of the wool products sold under military contracts have been exempted from price control. The new regulations amend the General Ceiling Price Regulation announced on January 26, 1951. The original regulation established ceiling prices for many commodities and services on the basis of prices in effect during the period December 19, 1950 to January 25, 1951. Raw wool when sold by the growers was among the commodities specifically exempted from the regulation. Provision also was made to allow certain importers to pass on price increases for imported goods which they received after January 26, 1951, but had contracted to buy on or before that date. Once deliveries were disposed of, the importer's ceiling price reverted to prices in effect during the base period December 19, 1950 to January 25, 1951, inclusive.

On February 27, the Office of Price Stabilization issued Ceiling Price Regulation 7, establishing ceiling prices for sales by retailers of a wide range of commodities, including apparel, blankets, drapery and upholstery fabrics, yard goods, floor coverings, etc. The greater part of the wool consumed for civilian use enters into the manufacture of such items. The regulation freezes the percentage markups for these items as of February 24, 1951.

Ceiling Price Regulation 18, issued by the Office of Price Stabilization on April 5, allows manufacturers of wool yarns and fabrics to add to their pre-Korean prices (based on their highest contract price during the three months ending June 24, 1950) dollars and cents increases in the costs of labor and manufacturing materials up to December 31, 1950. The regulation does not apply to deliveries under military contracts or subcontracts for yarns or fabrics which were exempted from the General Ceiling Price Regulation. The regulation covers knit and woven fabrics containing 25 percent or more wool by fiber weight. As to woven fabrics, however, it covers only those woven on the woolen or worsted systems. Wool carpet yarn and woolen carpet are not covered by the regulation. The GCPR fixed ceiling prices for manufacturers of wool yarn and woven and knitted wool fabrics at the highest prices at which they delivered their products between December 19, 1950, and January 25, 1951. Since contracts for sale by these manufacturers normally call for delivery three to five months after the contract is made, the prices at which yarn and fabrics were delivered during the base period, and which were fixed as ceiling prices by GCPR, reflected wool contracts made at a time when wool prices were considerably lower than those in existence at the end of the base period.

Table 1. - Prices of good fleece wools at the London auctions, in cents and pence per pound, clean basis, by months, 1948-51

Week ended 1/	Good medium fleeces		Fine Crossbred fleeces		Crossbred fleeces	
	64s-70s	64s-70s	56s	56s	46s	46s
	Cents	Pence	Cents	Pence	Cents	Pence
1948						
January 15	147.8	88.0	94.0	56.0	55.4	33.0
January 30	161.3	96.0	100.8	60.0	59.6	35.5
March 5	144.5	86.0	90.7	54.0	45.4	27.0
March 19	152.8	91.0	90.7	54.0	45.3	27.0
April 30	161.3	96.0	94.1	56.0	52.1	31.0
June 4	196.5	117.0	97.4	58.0	52.1	31.0
June 16	196.5	117.0	97.4	58.0	48.7	29.0
July 23	196.5	117.0	100.8	60.0	52.1	31.0
September 16	189.8	113.0	100.8	60.0	52.1	31.0
October 1	184.8	110.0	97.4	58.0	52.1	31.0
November 17	199.9	119.0	107.5	64.0	58.8	35.0
December 3	199.9	119.0	117.6	70.0	65.5	39.0
1949						
January 27	201.6	120.0	109.2	65.0	67.2	40.0
February 18	201.6	120.0	109.2	65.0	65.5	39.0
March 25	201.6	120.0	109.2	65.0	60.5	36.0
April 8	206.5	123.0	109.1	65.0	57.1	34.0
May 13	194.9	116.0	99.1	59.0	55.4	33.0
May 27	201.4	120.0	99.0	59.0	55.4	33.0
July 7	201.5	120.0	104.1	62.0	55.4	33.0
July 22	193.2	115.0	104.1	62.0	55.4	33.0
September 23	122.6	105.0	77.0	66.0	42.0	36.0
October 7	134.2	115.0	81.7	70.0	47.8	41.0
November 25	150.5	129.0	95.7	82.0	61.9	53.0
December 9	150.5	129.0	93.4	80.0	56.0	48.0
1950						
January 27	173.9	149.0	114.4	98.0	70.0	60.0
February 10	158.7	136.0	95.7	82.0	60.7	52.0
March 16	158.7	136.0	93.4	80.0	63.0	54.0
March 31	170.4	146.0	102.7	88.0	70.0	60.0
May 5	177.4	152.0	110.9	95.0	75.9	65.0
May 19	184.4	158.0	114.4	98.0	79.4	68.0
July 6	184.4	158.0	114.4	98.0	80.5	69.0
July 21	198.4	170.0	123.7	106.0	89.9	77.0
September 22	285.9	245.0	198.4	170.0	166.9	143.0
October 6	262.6	225.0	186.7	160.0	152.9	131.0
November 24	282.4	242.0	200.7	172.0	179.7	154.0
December 8	293.9	252.0	227.4	195.0	191.3	164.0
1951						
February 2	355.9	305.0	256.7	220.0	221.7	190.0
February 16	364.1	312.0	280.1	240.0	228.7	196.0
April 6	350.1	300.0	256.7	220.0	210.1	180.0
April 20	0	0	245.1	210.0	210.1	180.0

Compiled from Kreglinger and Fernau Market reports. Prices converted from pence to cents at current rates of exchange. 1/ Quotations are for week ending on date shown, which are opening and closing weeks for each series.

Table 2.- Prices of domestic shorn wools at Boston, clean basis, for week ended March 16 and April 20, 1951, with comparisons

Classification		1950 January	1950 June	1951 week ended March 16	1951 week ended April 20	Percent change week ended March 16, 1951 from June 1950	Percent change week ended April 20, 1951 from June 1950	Percent change week ended April 20, 1951 from March 16, 1951
Graded shorn		Cents	Cents	Cents	Cents	Percent	Percent	Percent
Territory								
Fine combing (Staple)	(64s and finer)	158.8	176.0	380.0	320.0	115.9	81.8	-15.8
Fine French combing	(64s and finer)	150.0	164.4	365.0	310.0	122.0	88.6	-15.1
Fine clothing	(64s and finer)	138.1	152.5	315.0	255.0	106.6	67.2	-19.0
1/2 Blood Combing (Staple)	(60s, 62s)	138.8	158.5	345.0	285.0	117.7	79.8	-17.4
1/2 Blood French combing	(60s, 62s)	132.5	144.4	325.0	265.0	125.1	83.5	-18.5
1/2 Blood clothing	(60s, 62s)	127.5	132.5	275.0	215.0	107.5	62.3	-21.8
3/8 Blood combing	(56s, 58s)	116.0	139.5	315.0	255.0	125.8	82.8	-19.0
3/8 Blood clothing	(56s, 58s)	95.0	102.5	255.00	195.0	148.8	90.2	-23.5
1/4 Blood combing	(48s, 50s)	99.4	122.5	300.0	235.0	144.9	91.8	-21.7
Low 1/4 Blood	(46s)	92.5	97.5	260.0	205.0	166.7	110.3	-21.2
Common and Braid	(44s and coarser)	87.5	92.5	255.0	195.0	175.7	110.8	-23.5
Bright fleece								
Fine combing (Delaine)	(64s and finer)	157.6	183.2	380.0	320.0	107.4	74.7	-15.8
Fine clothing	(64s and finer)	130.0	152.5	310.0	250.0	103.3	63.9	-19.4
1/2 Blood combing	(60s, 62s)	137.5	158.2	330.0	265.0	108.6	67.5	-19.7
3/8 Blood combing	(56s, 58s)	105.8	127.5	290.0	240.0	127.4	88.2	-17.2
1/4 Blood combing	(48s, 50s)	97.5	122.5	275.0	225.0	124.5	83.7	-18.2
Low 1/4 Blood	(46s)	76.0	99.4	245.0	205.0	146.5	106.2	-16.3
Common and Braid	(44s and coarser)	71.0	94.4	240.0	195.0	154.2	106.6	-18.8
Semi-Bright fleece								
Fine combing (Staple)	(64s and finer)	148.8	172.5	355.0	295.0	105.8	71.0	-16.9
Fine clothing	(64s and finer)	132.5	147.5	295.0	235.0	100.0	59.3	-20.3
1/2 Blood combing	(60s, 62s)	133.8	157.5	320.0	260.0	103.2	65.1	-18.8
3/8 Blood combing	(56s, 58s)	105.8	127.4	285.0	225.0	123.7	76.6	-21.1
1/4 Blood combing	(48s, 50s)	97.5	122.4	270.0	205.0	120.6	67.5	-24.1
Low 1/4 Blood	(46s)	76.0	99.4	235.0	195.0	136.4	96.2	-17.0
Original bag shorn								
Fine Texas								
12 months		158.8	174.5	380.0	320.0	117.8	83.4	-15.8
8 months		138.8	157.5	320.0	275.0	103.2	74.6	-14.1
Fall		127.5	127.5	275.0	215.0	115.7	68.6	-21.8

Compiled from market reports of the Production and Marketing Administration.

Ceiling Price Regulation 20, issued by the Office of Price Stabilization on April 6, fixed ceiling prices for wool futures and wool top futures. Announcement of the new ceilings permitted the reopening of the wool exchange which had been closed since January 26, the date on which General Ceiling Price Regulation became effective. The ceiling prices at which exchange standard wool and wool top covered by futures contracts on the Wool Associates of the New York Cotton Exchange are $3.535 per pound for wool futures and $4.265 per pound for wool top futures. Ceiling prices for deliveries of other than exchange standard wool or wool top covered by futures contracts are determined by applying the differentials established under the by-laws and rules of the Wool Associates of the New York Cotton Exchange in effect on January 24, 1951. The ceiling prices fixed by the regulation are the highest prices at which contracts for May delivery traded during December 19, 1950-January 26, 1951, on the Wool Associates of the New York Cotton Exchange.

OPS has announced that its officials have been consulting with representatives of the trade to work out a dollars-and-cents ceiling price regulation controlling the spot prices of wool and wool tops.

On February 7, 1951 the Office of Price Stabilization issued Amendment 1 to Supplementary Regulation 1 to the General Ceiling Price Regulation in order to facilitate the procurement of certain products by the Defense Agencies. This amendment exempted from GCPR sales of certain wool products when sold to Defense Agencies or their suppliers under contracts entered into before April 1, 1951, upon the basis of invitations for bids issued on or before January 26, 1951, or under a subcontract entered into prior to July 1, 1951.

The exemption to sales or deliveries under defense contracts was extended to those entered into prior to May 1, 1951, and under subcontracts entered into prior to August 1, 1951, by Amendment 5 to Supplementary Regulation 1, issued by OPS on April 6, 1951.

1951 Wool and Mohair Price Support Programs Announced

The Production and Marketing Administration has announced that 1951 support prices for wool will average 50.7 cents per pound, grease basis, and for mohair will average 53.4 cents per pound, grease basis. The support program will extend from April 1, 1951, through March 31, 1952.

The average support price for wool is 90 percent of the March 15, 1951 parity price for wool of 56.3 cents per pound, grease basis; the average support price for mohair is 74.1 percent of March 15, 1951 parity price for mohair of 72 cents per pound, grease basis. Average support prices for both wool and mohair are somewhat higher than they were in 1950 due to the higher parity. The 1950 support levels were 45.2 cents for wool and 49.1 cents for mohair.

The Agricultural Act of 1949 requires that the price of wool be supported at such levels, between 60 and 90 percent of parity, as to encourage an annual production of approximately 360 million pounds of shorn wool. The Act also requires that the price of mohair be supported at such a level, between 60 and 90 percent of parity, as to establish a proper relationship with the level of support for wool.

No wool or mohair was purchased under the 1950 wool price support program. Since market prices for both are now and probably will continue above support levels, it is unlikely that any wool or mohair will be purchased by the Commodity Credit Corporation under the 1951 support program.

Domestic Wool Production
to be Higher than Last Year

Production of shorn and pulled wool in the United States probably will amount to about 260 million pounds, grease basis, or about 113 million pounds, scoured basis, this year. Output in 1950 amounted to 252.5 million pounds, grease basis (table 3). This forecast reflects an increase of 4 percent in the number of stock sheep on farms on January 1 over a year earlier and is based on the assumption that the average weight per fleece will be about the same as the average for the last few years.

Wool production in 1950 totaled the same as in 1949 but the proportion of pulled wool was considerably smaller. Of the total wool produced in 1950, 220.1 million pounds were shorn wool and 32.4 million pounds were pulled wool. In 1949, total production was 252.5 million pounds, of which 216.9 million pounds were shorn wool and 35.6 million pounds were pulled wool.

On a scoured basis, total production in 1950 amounted to about 110 million pounds, about the same as in 1949.

The number of sheep and lambs shorn in 1950 is estimated at 27,150 thousand head, 175 thousand head more than were shorn in 1949. The average weight per fleece was 8.11 pounds, somewhat above the average of 8.04 pounds in 1949 and the 1939-48 average of 8.00 pounds.

The 1950 early lamb crop was about 2 percent larger than last year. Slaughter of sheep and lambs so far this year has been somewhat lower than last year and probably will continue relatively lower as breeding herds are built up. A further increase in wool production next year now appears likely.

Cash Receipts from Shorn Wool
and Mohair Increased Sharply in 1950

Cash receipts of growers from shorn wool production in 1950, were 126 million dollars, about 19 million dollars more than in 1949 (table 3), and the highest since 1945. The increase over 1949 reflects an increase in shorn wool production of about 3 million pounds and the higher average price received by growers 57.3 cents per pound, grease basis, compared with 49.4 cents in 1949.

Cash receipts for the current clip are expected to be greater than last year, reflecting an anticipated further increase in production and a sharp increase in prices compared with last year.

The value of mohair produced in 1950 amounted to 11 million dollars, an increase of 63 percent over 1949 (table 4). The increase reflected the sharp advance in mohair prices. Prices received by growers for mohair in 1950 averaged 75.9 cents per pound, grease basis, compared with 46.3 cents the previous year. Mohair production in 1950 is estimated to have been 14,561 thousand pounds, grease basis. This was only slightly less than the 14,600 thousand pounds of 1949 but was the smallest since 1927. Arizona, Oregon, and Utah were the only States showing an increase in 1950.

Growers' receipts from mohair are expected to be larger in 1951 than last year. Mohair production probably will be a little larger and prices received are expected to average substantially higher than last year.

Table 3.- Number of sheep and lambs shorn, weight per fleece, price per pound received by growers, cash receipts, and wool production United States, 1940-50

Year	Sheep and lambs shorn 1/	Weight per fleece	Shorn wool production	Price per pound	Cash receipts	Pulled wool production	Total wool production
	Thousands	Pounds	Thous. lb.	Cents	Thous. dol.	Thous. lb.	Thous. lb.
1940	46,313	8.03	372,014	28.4	105,539	62,000	434.014
1941	47,722	8.12	387,520	35.5	137.754	65,800	453,320
1942	49,287	7.88	388,297	40.1	155,728	66,700	454,997
1943	47,892	7.91	378,843	41.7	157,825	65,200	444,043
1944	43,165	7.84	338,318	42.4	143,513	73,500	411,818
1945	38,763	7.94	307,949	41.9	129,122	70,500	378,449
1946	34,718	8.08	280,487	42.3	118,639	61,300	341,787
1947	31,241	8.09	252,798	42.0	106,052	56,600	309,398
1948	29,060	8.05	233,924	48.8	114,072	46,600	280,524
1949	26,975	8.04	216,873	49.4	107,137	35,600	252,473
1950 2/	27,150	8.11	220,135	57.3	126,171	32,400	252,535

1/ Includes sheep shorn at commercial feeding yards.
2/ Preliminary.

Table 4. - Number of goats clipped, average clip per goat, price per pound received by growers, cash receipts, and mohair production, United States, 1940-50

Year	Goats clipped 2/	Average clip per goat	Production	Price per pound	Cash receipts
	Thousands	Pounds	Thous. lb.	Cents	Thous. dol.
1940	4,297	4.9	21,144	49.7	10,501
1941	4,542	4.8	21,766	56.9	12,389
1942	4,322	4.8	20,676	49.3	10,203
1943	4,276	4.7	20,156	57.1	11,518
1944	4,109	5.0	20,467	60.1	12,306
1945	4,291	5.1	22,038	55.3	12,192
1946	3,943	4.9	19,329	61.1	11,803
1947	3,729	5.0	18,476	53.7	9,923
1948	3,316	5.0	16,591	45.4	7,531
1949	2,866	5.1	14,600	46.3	6,762
1950 1/	2,775	5.2	14,561	75.9	11,049

1/ Preliminary.
2/ In States where goats are clipped twice a year the number clipped is the sum of goats and kids clipped in the spring and kids clipped in the fall.

Military Services Announce Program to Conserve Wool

The Department of Defense has announced that measures are being taken to reduce the requirements of the military services for new wool. These measures include: (a) broadening of specifications to permit the use of lower grades of wool, (b) adoption of lighter weight woolen and worsted fabrics for specific purposes such as for a general wear uniform authorized in additon to the combat uniform, (c) increased use of reprocessed and reused wool, and (d) use of synthetics or other fibers where research and development indicate improvement.

A reduction of as much as 15 percent in requirements of the military services for new wool has been set as a goal.

CCC Suspends Wool Purchases for War Reserve

The Commodity Credit Corporation has announced that purchases of wool toward the war reserve have been suspended until further notice. Early last December, the CCC announced that it was purchasing 30 million pounds of foreign wool, clean basis, for the Department of Defense. This was to be part of the war reserve of raw wool, yarn, fabrics, or finished goods, equivalent to 100 million pounds of wool, clean basis, which was authorized late last summer.

Wool Consumption Increased During January

Domestic woolen and worsted mills consumed apparel wool at a weekly rate of 8 million pounds, scoured basis, during January 1951, compared with 7.2 million pounds in December and 7.8 million pounds in January of last year. The increase from December to January was the first since last October.

Consumption of apparel wool in the United States during 1950 was 27 percent greater than in 1949. Woolen and worsted mills consumed 429 million pounds of apparel wool during the year, compared with 339 million pounds the year before. On a per capita basis, this was 2.81 pounds, compared with 2.26 pounds the year before and the peak of 4.29 pounds in 1946 (table 5).

Consumption on the worsted system represented about 67 percent of total consumption on the two systems, compared with 59 percent the previous year (table 6).

About 56 percent of the apparel wool consumed consisted of wools grading 60s and finer (table 7). In 1949, such wools made up 55 percent of the total. Only a very small percentage of total mill consumption of apparel wool last year was for the production of military items. This year, however, military takings will be substantial.

Domestic mills consumed an average of 3.3 million pounds, scoured basis, of carpet (duty free) wool during January, compared with 3.9 million pounds, scoured basis, during the same month of last year. Consumption during 1950 totaled 196 million pounds, about 21 percent more than in 1949 and only 6 percent less than the record of 1948. Consumption of carpet wools this year probably will be slightly lower than last year. The substitution of rayon in the manufacture of floor coverings is increasing rapidly due to the greater increase in the price of wool than in the price of rayon.

Table 5.-Per capita mill consumption of apparel and carpet wool, scoured basis, United States, 1946 - 50

Classification	1946	1947	1948	1949	1950
	Pounds	Pounds	Pounds	Pounds	Pounds
Apparel (Domestic and foreign duty-paid)	4.29	3.63	3.29	2.26	2.81
Carpet (Foreign duty-free)	0.90	1.19	1.41	1.08	1.28
Total	5.19	4.82	4.70	3.34	4.09

Compiled from reports of the Bureau of the Census.

Table 6.-Percentage distribution of apparel wool consumption on the woolen and worsted systems, United States, 1946 - 50

System	1946	1947	1948	1949	1950
	Percent	Percent	Percent	Percent	Percent
Worsted	56.9	64.0	65.8	59.1	66.9
Woolen	43.1	36.0	34.2	40.9	33.1
Total	100.0	100.0	100.0	100.0	100.0

Compiled from reports of the Bureau of the Census.

Table 7.-Percentage distribution of mill consumption of apparel wool by grades, United States, 1946 - 50

Grade	1946	1947	1948	1949	1950
	Percent	Percent	Percent	Percent	Percent
60s and finer	54.9	62.2	62.6	54.6	55.8
50s up to 60s	31.2	25.6	26.9	35.4	34.9
48s and coarser	13.9	12.2	10.5	10.0	9.3
Total	100.0	100.0	100.0	100.0	100.0

Compiled from reports of the Bureau of the Census.

United States Wool Imports

Imports for consumption of apparel (dutiable) wool during the first two months of this year totaled 52 million pounds, clean basis, or 84 million pounds, actual weight. Imports during the same months of last year amounted to 49 million pounds, clean basis, or 82 million pounds, actual weight. The quantity of apparel wool imported during January was the largest since January 1948.

Imports for consumption of apparel wool during 1950 totaled 250 million pounds, clean basis, or 402 million pounds, actual weight. On a clean content basis, this was 61 percent above 1949. Domestic production during 1950 was equivalent to less than 30 percent of consumption. The increase in imports during 1950 reflected the higher consumption and lower stocks at the beginning of the year.

All of the carpet wool used in the United States is imported. During the first two months of the year, imports for consumption of duty-free (carpet) wool amounted to 25 million pounds, clean basis, or 37 million pounds, actual weight. Both imports and consumption of such wool this year probably will be a little lower than last year. During 1950, imports of duty-free wools amounted to 217 million pounds, clean basis, or 315 million pounds, actual weight.

Mill Output Increased in 1950

Production of yarn 1/ (other than carpet) on the woolen and worsted systems totaled 649 million pounds during 1950. This was 17 percent more than the 557 million pounds produced during 1949. Production of worsted yarn increased 33 percent, while that of yarn spun on the woolen system increased 8 percent. Worsted yarn represented about 40 percent of the total in 1950 compared with 35 percent the year before. The percentage increase in output of knitting yarn was somewhat greater than that for weaving yarn, production of weaving yarn increasing only 14 percent, while that of knitting yarn increased about 20 percent. Weaving yarn represented about 84 percent of the total poundage in 1950 compared with 85 percent in 1949.

Domestic woolen and worsted mills produced 244 million pounds of carpet yarn during 1950, compared with 194 million pounds the year before.

During 1950, production of woven woolen fabrics 2/ totaled 458 million finished linear yards, 43 million yards or 10 percent more than during 1949. Output of woven apparel fabrics amounted to 381 million linear yards, an increas of 9 percent. The quantity of women's and children's wear fabrics

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1/ Includes all yarn spun on the woolen and worsted systems regardless of the fiber content.
2/ Fabrics containing by weight 25 percent or more wool, reused wool, or reprocessed wool.

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produced was about 5 percent higher than during the previous year, while men's and boys' wear fabric production increased 21 percent. The yardage of fabric produced toward Government orders was about 41 percent lower; however, output of such fabrics during the second half of the year was about 34 percent greater than during the first half of the year and about 12 percent greater than during the second half of 1949. Production of non-apparel fabrics also increased with transportation upholstery, showing the largest gain, 32 percent. This probably reflected the increase in automobile production. Output of blanketing, including production toward Government orders, rose 10 percent.

Production of Men's Suits Increased in 1950

Production of men's suits during 1950, including regular-weight and summer-weight, increased 20 percent over 1949.

The clothing industry turned out 23.1 million suit units during 1950, compared with 19.2 units during 1949. Output of regular-weight suits increased 19 percent, while production of summer-weight suits increased 26 percent.

Of the total number of suits produced, 18.5 million units were regular-weight and 4.6 million units were summer-weight.